

1 PLAINTIFF: Mr. Edwards

2 WITNESS:

3 COURT:

4 DEFENDANT: Mr. Karl

5

6 WARM UP

7 THE COURT: You have been sworn. Please state your
8 name and spell it for the record.

9 THE WITNESS: Sarah Taylor, T-A-Y-L-O-R.

10 THE COURT: Thank you. Please / proceed forward to
11 the witness stand.

12 THE WITNESS: Thank you.

13 THE COURT: You may proceed.

14 MR. KARL: Thank you, your Honor.

15 DIRECT EXAMINATION

16 Q. BY MR. KARL: Good morning, Ms. Taylor.

17 A. Good morning.

18 Q. How are you, ma'am? /

19 A. I am well. Thank you.

20 Q. Where are you currently employed?

21 A. Main Street Toyota in Irvine.

22 Q. And what is your position there?

23 A. General manager.

24 Q. In May / of 2014, were you the general manager at
25 a Ford dealership named Palmer Ford?

26 A. Yes.

1 Q. And what were your duties as a general / manager?

2 A. I manage the operations of the dealership and
3 oversee all the departments.

4 Q. Okay.

5 A. Service, sales, and parts.

6 Q. Were you in charge of enforcing the / policies
7 and rules for the dealership for both sales and service?

8 A. Yes.

9 Q. And with respect to the sale of used cars, did
10 the dealership have / some policies and rules in place for
11 identifying things on used cars such as accident history
12 or things of that nature?

13 A. Yes. When we sell / the car, we include the
14 Carfax report and the title report so that the buyer can
15 view it if they wish.

16 Q. And is the policy */ of the dealership full
17 disclosure to the buyer?

18 MR. EDWARDS: Objection. Relevance.

19 THE COURT: Overruled.

20 THE WITNESS: Yes.

21 Q. BY MR. KARL: Why is that important to Palmer
22 Ford?

23 A. We are quite a bit different / than most other
24 auto retailers. We believe in sharing as much as we can
25 on the car so that the buyer can be well-informed.

26 Q. In / this case, ma'am, you have reviewed the

1 whole service file?

2 A. A little bit.

3 Q. Do you know if Palmer Ford gave the buyer in this
4 case / a limited warranty?

5 MR. EDWARDS: Objection. Lacks foundation.

6 THE COURT: Yes. That will be sustained.

7 Q. BY MR. KARL: Now, ma'am, are you familiar with
8 the 50/50 warranty that buyers are given / through the
9 dealership back in May of 2014?

10 A. Yes, I am.

11 Q. Would you be kind enough to look at the exhibit I
12 have / placed on the overhead. Are you familiar with this
13 document?

14 A. Yes.

15 Q. Did the dealership in this case provide Mr. Ortiz
16 with this warranty for free? /

17 MR. EDWARDS: Objection. Lacks foundation. Misstates
18 the document.

19 THE COURT: Mr. Karl, is that in issue?

20 MR. KARL: It is, your Honor. That's the only
21 question I am going to ask / on it and then I am going to
22 move on.

23 THE COURT: You need to move on, please.

24 Q. BY MR. KARL: You were not involved in the sales
25 transaction itself, */ correct?

26 A. That's correct.

1 Q. Did you have any conversations with Mr. Ortiz at
2 any time?

3 A. Absolutely.

4 Q. And do you recall when the first -- well, let me
5 / ask you this: How many conversations did you have with
6 him?

7 A. I believe it was three by telephone.

8 Q. Okay. And do you recall when the / first
9 conversation was?

10 A. I believe it was in the latter part of July.

11 Q. Okay. And did you call him or did he call you?

12 A. He / telephoned me.

13 Q. Did you have any problems communicating with him?

14 A. No, absolutely not.

15 Q. And can you tell me what he said to you in that /
16 first conversation?

17 MR. EDWARDS: Objection. Irrelevant.

18 THE COURT: Overruled.

19 THE WITNESS: Mr. Ortiz called me. He called me and
20 complained about the ride of the vehicle. He said that on
21 the / freeway the truck had a bounce.

22 Q. BY MR. KARL: Did you ask him to describe it in
23 more detail?

24 A. Yes. I listened to his complaint. I asked him /
25 if the service department had had a chance to look at the
26 vehicle yet. I believe he said yes.

1 Q. Did you find out how long / ago that had
2 happened?

3 A. Not at that time. I was trying to determine what
4 the exact problem was by asking Mr. Ortiz about his
5 driving. */

6 **END OF WARM UP**
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1 EXAM

2 Q. BY MR. KARL: What do you mean?

3 A. Sometimes the roadways can affect the ride. I
4 wanted to know the conditions of the roadways --

5 MR. EDWARDS: Objection, your Honor. Improper expert
6 / testimony.

7 THE COURT: Overruled. Next question.

8 Q. BY MR. KARL: What else did you say in your call?

9 A. Well, I am concerned about the consumer. I asked
10 Mr. Ortiz if he / would bring the vehicle in so we could
11 inspect it. He said he had already done that. The
12 mechanic told him it was going to / be \$800 to fix it.

13 Q. Did Mr. Ortiz give you a name of who had quoted
14 that amount?

15 A. He was upset because I / told him it wouldn't be
16 covered under the warranty. He said he was going to sue
17 us and then he hung up on me.

18 Q. Okay. / That first conversation was sometime at
19 the end of July?

20 A. Yes.

21 Q. So you offered to have the vehicle looked at in
22 the service department again, / correct?

23 A. Yes.

24 Q. And did you have any conversation with him at
25 that time -- well, let me back up. You indicated that you
26 told him that / the repairs were not covered, correct?

1 A. Yes.

2 Q. Did you tell him in that first conversation that
3 the dealership was willing to split the repair with */ him
4 50/50?

5 A. I can't remember if it was the first conversation
6 or the second conversation. He mentioned speaking with
7 Henry. I guess there was / already an offer on the table
8 of splitting the cost with him. I told him I would honor
9 that if an employee made that promise / to a buyer.

10 Q. Do you recall if that was in the first or second
11 call?

12 A. I don't recall exactly.

13 Q. Okay. When was the second call / relative to
14 that first one?

15 A. I believe they were about a week apart. It was
16 either a week or two.

17 Q. Did you call Mr. Ortiz / or did he call you?

18 A. He telephoned me. I believe we left a couple
19 messages and then he returned my call.

20 Q. What was your conversation / at that point?

21 A. Same thing. He wanted us to repair the vehicle.
22 We scheduled a time for him to bring the vehicle in for an
23 / inspection. I said I would be there even though it was
24 my vacation.

25 Q. You confirmed the dealership would split the cost
26 of the repairs?

1 A. Yes. /

2 Q. You told Mr. Ortiz even though it wasn't a
3 covered repair, you were willing to do that because Mr.
4 Nava offered that to him, correct? */

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1 START TYPING

2 MR. EDWARDS: Your Honor, I need to object. Leading.

3 THE COURT: Sustained.

4 Q. BY MR. KARL: Did you confirm the discussion that
5 Mr. Ortiz previously had with Mr. Nava about the
6 dealership covering / the repairs?

7 A. Yes.

8 Q. Now, did you then have another discussion with
9 Mr. Ortiz?

10 A. Yes.

11 Q. And what did you and Mr. Ortiz discuss in that
12 call? /

13 A. It was kind of a phone call out of the blue. I
14 explained to him I was a little upset because he didn't
15 show up / and I had made arrangements to be there on my
16 day off. So I had come in on my own time because --

17 MR. EDWARDS: Objection, your Honor. / Narrative and
18 not responsive to the question.

19 THE COURT: Counsel, repeat your question.

20 Q. BY MR. KARL: What did you and Mr. Ortiz discuss
21 in that third conversation?

22 A. He made an / excuse and said something came up. I
23 told him that if he wanted me to examine the vehicle, he
24 needed to bring it during my regular / schedule during the
25 week.

26 Q. So you discussed the fact that he didn't show up

1 for the appointment?

2 A. Correct.

3 Q. And you told him to bring it / back at his
4 convenience?

5 A. Yes.

6 Q. Did he ever bring it back?

7 A. Not to my knowledge, no.

8 Q. Did he ever call you again after that?

9 A. No. */

10 Q. In that third phone call with you, did Mr. Ortiz
11 tell you he wanted the dealership to cover the entire
12 repair?

13 A. He said that in / every call we had about
14 repairs. He didn't believe he had any obligation for the
15 cost of the repairs.

16 Q. Was he demanding that Palmer Ford / cover all the
17 costs?

18 A. Yes.

19 Q. So did Mr. Ortiz threaten that he would sue you?

20 A. Yes, sir.

21 MR. EDWARDS: Objection. Irrelevant.

22 THE COURT: Sustained.

23 Q. BY MR. KARL: Ms. Taylor, would you be / kind
24 enough to look at the exhibit on the screen.

25 MR. EDWARDS: Your Honor, may I speak with Mr. Karl
26 for just a moment?

1 THE COURT: Yes.

2 MR. KARL: Your Honor, / this is a document that's
3 been stipulated to be admitted by the parties. And that's
4 true for each one of these.

5 MR. EDWARDS: No objection, your Honor. /

6 THE COURT: Those are now in evidence. Thank you.

7 Q. BY MR. KARL: Ms. Taylor, is this a letter that
8 you, as general manager, received from the Talbert law
9 firm?

10 A. Yes. /

11 MR. KARL: Your Honor, may I approach?

12 THE COURT: Yes.

13 Q. BY MR. KARL: Did you have a conversation with
14 Mr. Talbert about this letter?

15 A. Yes.

16 Q. When was that?

17 A. It was prior to / the arrival of the letter.

18 Q. And what did he tell you?

19 MR. EDWARDS: Objection. Irrelevant.

20 THE COURT: Mr. Karl, why is this relevant? Do you
21 wish to be heard */ on relevance?

22 MR. KARL: No, I do not. The letter speaks for
23 itself. Thank you.

24 THE COURT: Next question.

25 Q. BY MR. KARL: Ms. Taylor, when you received the
26 demand letter that we / have just seen, did you send that

1 to our office?

2 A. Yes.

3 Q. And did you ask our office to respond to the
4 demand letter?

5 A. Yes.

6 Q. And / did you authorize the contents of our
7 response to this letter?

8 A. Yes.

9 Q. Other than the conversations that you have
10 discussed, did you ever have any / further conversations
11 with Mr. Ortiz?

12 A. Not that I can recall.

13 MR. KARL: Thank you. No further questions, your
14 Honor.

15 THE COURT: Mr. Edwards.

16 MR. EDWARDS: Thank you, your Honor.

17 CROSS-EXAMINATION

18 Q. BY MR. EDWARDS: Good morning, / Ms. Taylor.

19 A. Good morning.

20 Q. At the time that Mr. Ortiz purchased this truck,
21 you were the sales manager, right?

22 A. No, I wasn't.

23 Q. What was your / position?

24 A. General manager.

25 Q. That's right. General manager. Thank you.

26 That covers the entire dealership?

1 A. Yes.

2 Q. That includes parts, service, and sales?

3 A. All three, yes. /

4 Q. So everybody at that dealership is working for
5 you?

6 A. I guess you could say it that way.

7 Q. But you weren't involved in the sales process /
8 of this truck on May 15th, 2014?

9 A. No, I wasn't involved in the purchase of this
10 truck.

11 Q. So you don't know anything about */ what took
12 place on May 15th, 2014?

13 A. No, I don't.

14 Q. Now, you said before that your dealership does
15 have a full disclosure policy; / is that right?

16 A. Yes.

17 Q. And you disclose to the buyers everything that
18 you think they would find important when they are deciding
19 whether to buy / a car at your dealership?

20 MR. KARL: Objection. Misstates her testimony.

21 THE COURT: You may answer.

22 THE WITNESS: Yes. Things that are relevant to the
23 purchase of the car. We report / things about the car
24 that are reported to us.

25 Q. BY MR. EDWARDS: And also what you find on
26 inspecting the vehicle, right?

1 A. Yes.

2 Q. And when you take in / a vehicle in trade, it is
3 important for you to discover the history of the vehicle,
4 is it not?

5 A. Yes.

6 Q. Okay. You want to know / what the title history
7 has been, correct?

8 A. Yes.

9 Q. You want to determine if it has been salvaged,
10 correct?

11 A. Yes.

12 Q. You want to know if it / has been in an accident,
13 correct?

14 A. We would like to, but sometimes you don't always
15 discover that.

16 Q. But that would be important, correct?

17 A. Absolutely.

18 Q. You / would like to know whether it has been
19 repainted, correct?

20 A. Yes.

21 Q. And that's because it's important to you when you
22 are taking in a vehicle */ to know whether it is factory
23 paint or not, right?

24 A. Yes.

25 Q. And are you aware of any documentation in the
26 file for this car that / told Mr. Ortiz this car had been

1 repainted?

2 MR. KARL: Objection. Beyond the scope.

3 THE COURT: You may answer.

4 THE WITNESS: No.

5 Q. BY MR. EDWARDS: Do you know if somebody at
6 Palmer Ford told / Mr. Ortiz the bumpers had been
7 repainted?

8 A. No, I wouldn't know that.

9 Q. You said earlier that when a customer buys a car
10 at your place, / they get something called the Carfax
11 folder, correct?

12 A. Yes.

13 Q. Do you see that document I have put before you?

14 A. Yes.

15 Q. It is a four-page document? /

16 A. That's correct.

17 Q. Does each page show something that would be in
18 the folder you give to customers who purchase automobiles
19 from Palmer Ford?

20 A. Yes.

21 MR. KARL: Objection. / Relevance. Beyond the scope.

22 Q. BY MR. EDWARDS: And you give this to your buyers
23 with every purchase?

24 THE COURT: Mr. Edwards, if there is an objection,
25 please wait for me / to rule.

26 MR. EDWARDS: I'm sorry, your Honor.

1 THE COURT: Thank you. That's overruled.

2 Q. BY MR. EDWARDS: You give this to your customers,
3 ma'am?

4 A. It is a handy little folder because it / has
5 places to put any reports we have on the vehicle.

6 MR. EDWARDS: Your Honor, may I briefly approach the
7 witness?

8 THE COURT: What do you intend to do, */ Mr. Edwards?

9 MR. EDWARDS: I would like to show her the original of
10 this document.

11 THE COURT: I believe she has seen and identified that
12 already.

13 Q. BY MR. EDWARDS: You testified for / Mr. Karl
14 that you give this to customers so that they can have a
15 folder to put the Carfax report in, correct?

16 A. I don't believe / I said that.

17 Q. Okay. Well, what is the purpose of this folder?

18 A. The purpose of the folder is to keep the
19 paperwork together. When the / salesperson presents the
20 vehicle, they can go through it, and the papers won't fly
21 around in the car. This folder just stays on the dash /
22 of the car.

23 Q. So this is in the vehicle as it sits on the sales
24 lot?

25 A. Yes.

26 Q. And then this document is given to customers / as

1 well when they buy the vehicle?

2 A. I don't know if every single time they take the
3 folder. They are offered the paperwork, and sometimes /
4 they also retain the folder.

5 Q. Okay. But on the front page it says something
6 about checking the vehicle's history so the customers
7 don't have to / worry, right?

8 MR. KARL: Objection. The document speaks for itself.
9 It's beyond the scope.

10 THE COURT: Is there a question, Mr. Edwards?

11 MR. EDWARDS: Yes, your Honor.

12 THE COURT: Would you ask it, */ please.

13 Q. BY MR. EDWARDS: This document is directed to the
14 customers, is it not?

15 MR. KARL: Objection. Calls for speculation. Beyond
16 the scope.

17 THE COURT: You may answer.

18 THE WITNESS: Yes. That's a Carfax / report. I think
19 that's part of their branding, yes.

20 Q. BY MR. EDWARDS: But this is a Palmer Ford
21 document, is it not, ma'am?

22 A. Yes.

23 Q. On the next page / of that document, there are
24 some statements to the customer, correct?

25 A. Yes.

26 Q. You are telling them you have checked everything

1 past and present?

2 MR. KARL: Objection. Lacks / foundation. The
3 document speaks for itself.

4 THE COURT: As to the latter, that will be sustained.

5 Q. BY MR. EDWARDS: Ma'am, turn to the last page of
6 the same exhibit. I / will put it up on the overhead.

7 Is this what you are looking at?

8 A. Yes.

9 Q. And it talks about the types of cars Palmer Ford
10 / sells and the different warranty programs or plans; is
11 that true?

12 A. That's right.

13 Q. And on a Ford vehicle, Ford Motor Company is
14 giving the warranty, / true?

15 A. Yes.

16 Q. Ma'am, can we agree this truck we are talking
17 about now was a certified used car?

18 MR. KARL: Objection. Calls for speculation. Lacks
19 foundation.

20 THE COURT: You / can answer.

21 THE WITNESS: Yes, I think it was. It went through
22 that inspection process.

23 Q. BY MR. EDWARDS: This truck has been thoroughly
24 inspected, has it not?

25 MR. KARL: Objection. Beyond the */ scope of direct.

26 THE COURT: Sustained.

1 Q. BY MR. EDWARDS: Ms. Taylor, when Mr. Ortiz
2 contacted you complaining about the ride on his vehicle,
3 what type of research did you do / in evaluating his
4 claims to you?

5 A. I don't believe I did any research.

6 Q. You didn't look at any files?

7 A. No.

8 Q. You didn't look at repair / orders?

9 A. I did not.

10 Q. You didn't contact the service manager?

11 A. Not that I am aware of. At this point in time,
12 our discussion was that / he complained about the ride of
13 the vehicle, and I told him to bring it in so we can
14 inspect it.

15 Q. Okay. You didn't call / the service manager to
16 find out what they had found on the vehicle?

17 A. No.

18 Q. Why not?

19 A. I asked Mr. Ortiz to bring the truck in / so we
20 could all meet and talk about it.

21 Q. Are you a mechanic?

22 A. I am not.

23 Q. Have you ever been a mechanic?

24 A. No.

25 Q. And when / Mr. Ortiz contacted you again, you
26 knew the truck had already been seen by your service

1 department; isn't that right?

2 A. Repeat that, please.

3 Q. When you / spoke with Mr. Ortiz, you were aware
4 that your dealership had already seen the truck for the
5 ride issue; isn't that right?

6 MR. KARL: Objection. Irrelevant.

7 THE COURT: Sustained. */

8 Q. BY MR. EDWARDS: Let me back up one moment. When
9 you were talking about certified vehicles, you testified
10 they come with two keys; is that right?

11 A. I don't / believe I testified to that before.

12 Q. I may be mistaken. I might be thinking of
13 another witness.

14 A. I never did. It is factory vehicles only. /

15 Q. Is it a part of the inspection process to check
16 and make sure that the keys are there?

17 A. No.

18 Q. Look at the last page of / this report. It has
19 been admitted into evidence.

20 A. Okay.

21 Q. That's the certificate of the inspection that was
22 done on this truck, correct?

23 A. This would be / the inspection sheet with the
24 technician's signature on those items.

25 Q. My question is these are the things the
26 technician is supposed to look for during / the

1 inspection, correct?

2 A. Absolutely.

3 Q. Okay. If you would look at the line I am
4 pointing to on the screen, please.

5 A. Okay.

6 Q. What does that line / represent?

7 MR. KARL: Objection. Irrelevant.

8 THE COURT: Counsel, what page are you on?

9 MR. EDWARDS: I am on the final page.

10 THE COURT: You are directing the witness to what
11 line?

12 MR. EDWARDS: It would / be 15, please.

13 THE COURT: All right.

14 Q. BY MR. EDWARDS: Ms. Taylor, do you see that?

15 A. Yes.

16 Q. It says keys plural, correct?

17 A. Keys and locks.

18 Q. Does it say just one */ key?

19 THE COURT: Mr. Edwards, I am going to politely ask
20 you to move on, please.

21 Q. BY MR. EDWARDS: Ms. Taylor, I will direct your
22 attention now to this exhibit. / This document has been
23 admitted into evidence, and I am directing your attention
24 to the second line here.

25 A. Okay.

26 Q. First of all, what is this / document?

1 A. This is a repair order.

2 Q. And that's for the subject vehicle, correct?

3 A. I believe so.

4 Q. Okay. And it is a repair order for what? /

5 A. This would be what happens when we work on a
6 vehicle. We would open an order, and this would be that
7 document.

8 Q. This is a / document known as the repair order;
9 is that true?

10 A. Yes.

11 Q. This informs the service department they can
12 perform the work on the vehicle?

13 A. Yes, sir. /

14 Q. Now, ma'am, do you know why it says Mike Roberts
15 on there?

16 A. I think that would be the previous owner.

17 Q. And where I am pointing / right now, that line
18 says to check tire vibration. Do you see that?

19 A. Yes.

20 Q. Did anyone at the dealership tell you this truck
21 had a / tire vibration that was noted in the inspection
22 process?

23 MR. KARL: Objection. Beyond the scope.

24 THE COURT: Sustained.

25 Q. BY MR. EDWARDS: Have you ever reviewed this
26 document before?

